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# ANNUAL REPORT OF THE ADMINISTRATOR 1997

## EVALUATION

SUMMARY

The UNDP 2001 change process emphasized the need for the organization to become more results-oriented. Within this context, the priorities defined for the evaluation function made 1997 a year of consolidation and transition. The Evaluation Office (formerly the Office of Evaluation and Strategic Planning) concentrated on developing results-based monitoring and evaluation policies, methodologies and tools. The main achievements in this area were (a) a joint study with the Swedish International Development Cooperation Agency on performance measurement and management and (b) a user-friendly handbook on monitoring and evaluation for country offices. They are serving as building blocks in the establishment of a results-based management system in UNDP. The Evaluation Office also undertook evaluations of governance issues at the regional level to compare experiences across countries and draw lessons to feed into organizational learning.

There is an imperative to demonstrate results in the key sustainable human development (SHD) areas as an organization and at the country level. An assessment of the work of the Evaluation Office in 1997 indicates that UNDP needs to redouble its efforts in responding to the needs of country offices. In 1998, this will include (a) providing more systematic access to empirical knowledge and evidence of performance (and lessons learned) in SHD areas gathered by UNDP and other development organizations; (b) strengthening substantive accountability by, inter alia, linking, in a more transparent manner, management responsibility to the implementation of evaluation recommendations; and (c) developing an operational framework for assessing and reporting on results.

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# I. PURPOSE

1. The year 1997 was a period of transition and consolidation. The Evaluation Office (formerly the Office of Evaluation and Strategic Planning) concentrated on developing results-based policies, tools and methodologies to help country offices improve and document their performance, systematically learn lessons from the evaluations carried out in 1996 and assess the progress made by the organization in terms of substantive accountability. These directions are in keeping with the goals of UNDP 2001 and the pressing need for UNDP to demonstrate results as an organization and in key areas of sustainable human development (SHD).

2. In light of this, three priorities emerged for the Evaluation Office in 1997: (a) supporting UNDP in becoming a results-oriented organization; (b) strengthening substantive accountability; and (c) promoting organizational learning. The present report outlines the achievements of the evaluation function vis-à-vis these priorities and presents the future directions for evaluation in UNDP based on the strengths and weaknesses observed in 1997.

# II. ACHIEVEMENTS

## A. Evaluations conducted and lessons learned

3. UNDP conducted evaluations at both the corporate and country office levels. At the corporate level, two priority areas were identified for 1997: governance and the way UNDP does its business. At the country level, 58 evaluations of UNDP-funded programmes and projects were conducted. Of these, there were 12 mid-term, 43 terminal and 3 ex post evaluations.

4. In the area of governance, the Evaluation Office undertook three evaluations at the regional level so that experiences could be compared across countries and successful interventions identified for replication elsewhere. The evaluations covered: (a) public sector management and reform in the Arab States region; (b) UNDP support for reform in selected Asian economies in transition; and (c) governance in Latin America and the Caribbean (to be completed in 1998). The evaluations conducted in Asia and in the Arab States region revealed that programmes had a lasting effect in countries where there was strong national ownership of their formulation and management. The catalytic role of UNDP was seen as critical in bringing to the fore reform issues of national significance through advocacy and in assisting Governments to articulate them. A general shortcoming observed in most programme documents was the lack of both clear statements of anticipated results and verifiable indicators of those results. The evaluators concluded that the country offices required increased substantive capacity (or access to it) to be able to support countries in their reform efforts.

5. In its focus on issues of advocacy and programme impact, it is important for UNDP to ascertain whether its operational instruments and methods support these objectives. Following its 1995 evaluation of the national execution modality, the Evaluation Office initiated a comprehensive assessment of UNDP

experience with the application of the programme approach. The assessment is expected to be completed in early 1998. The Office also conducted a country review through a rapid assessment of United Nations system operational activities in Cape Verde with the agencies of the Joint Consultative Group on Policy (JCGP). The main conclusion was that while the specific agencies were performing quite well, the system as a whole was not operating synergistically. Specific strategies were presented for repositioning the system to be more effective in its support to the Government's poverty alleviation priorities.

6. Overall, the evaluation compliance rate for the portfolio of projects and programmes that were approved in the biennium 1988-1989 was 66 per cent, up from 60 per cent in 1996 but short of the global target of 70 per cent established in 1997. These figures show that while management has given more attention to compliance, there is still a great deal of room for improvement, as indicated in the annex. The Bureau for Development Policy (BDP) and the Regional Bureaux for Africa and Latin America and the Caribbean will need to pay particular attention to ensuring greater compliance. The rate for BDP increased from 12 to 38 per cent while the rates for the two regional bureaux remained the same as last year, 63 and 50 per cent, respectively. Detailed information on compliance is contained in the annex.

7. The United Nations Capital Development Fund (UNCDF) conducted 15 project evaluations in addition to thematic reviews of its three core programme areas: local development funds, eco-development and micro-finance. The findings of the eco-development review indicate that the issue of local governance has not been adequately addressed in the design and implementation of eco-development projects.

8. Two components of the economic empowerment subprogramme of the United Nations Development Fund for Women (UNIFEM) were the subjects of separate strategic reviews: the Enterprise Development Programme and the Fund's work on the environment. The review of the former provided a comprehensive view of the role of UNIFEM in supporting initiatives in this field. While it pointed out some of the difficulties in implementing UNIFEM strategy, the review complimented UNIFEM for bringing an empowerment approach to the development of women's enterprises. The second review was part of a large, multi-layered research initiative to elaborate a conceptual and methodological framework for research and policy formulation on gender, environment and development.

9. The Office to Combat Desertification and Drought (UNSO) evaluated two projects: agro-sylvo-pastoral development in Chad and sand-dune stabilization and the promotion of local natural resource management in Mauritania. In addition, UNSO started to review possible indicators for evaluating its new policy support and advocacy initiatives.

10. The United Nations Volunteers (UNV) carried out a country programme review in Mozambique and three evaluations: (a) community-based youth participation and development projects in the occupied Palestinian territory; (b) local community development in rural areas of Egypt and Syria; and (c) the programme in the Lao People's Democratic Republic. The findings of these evaluations reaffirm the UNV comparative advantage in being able to engage directly with stakeholders in supporting community-based initiatives, including women and

youth groups. Findings also emphasize the UNV capacity to build strategic partnerships with civil society and other volunteer-sending organizations. UNV also began a thematic review of the Eco-Volunteer pilot programme formulated during the Earth Summit in Rio.

11. The use of findings from evaluations conducted by the Evaluation Office in 1995 and 1996 as well as those from 1997 evaluations by Programmes and Funds is addressed in section II.D.

### B. Monitoring and evaluation: policies, methodologies and tools

12. UNDP worked to establish a more results-oriented monitoring and evaluation framework, including a new set of policies, procedures, methodologies and tools that could be applied at the corporate, programme and project levels. In doing so, the organization built partnerships and learned from other development institutions. The two main publications resulting from these efforts laid the foundation for promoting a more results-based evaluation framework.

13. As a result of the 1996 agreement between UNDP and the Swedish International Development Cooperation Agency (SIDA), the two organizations undertook a joint review of performance measurement systems of selected public sector and aid agencies. The aim of the review was to learn from others before embarking on the elaboration of proposals for improving their own systems. The study report, Measuring & Managing Results: Lessons for Development Cooperation, contributes to the literature on the subject by adding the dimension of performance measurement in development assistance organizations. In presenting the latest thinking on performance measurement, it describes: (a) performance measurement methods and systems; (b) techniques that reflect good practice; and (c) lessons learned from agency experience in introducing and using performance measurement. The study is being used as the basis for the development of the results-based management system of UNDP.

14. Results-oriented Monitoring and Evaluation: A Handbook for Programme Managers, the product of a consultative process involving JCGP agencies, UNDP headquarters units and country offices as well as informal consultation with members of the Executive Board, builds on the evaluation policy framework approved by the Executive Committee. It was written to: (a) incorporate a results-oriented approach to monitoring and evaluation in UNDP; (b) reflect developments in implementation modalities and programme instruments, e.g., national execution, the programme approach and participatory development; (c) address the need for harmonization within the United Nations system; and (d) provide appropriate guidelines for the new programming arrangements.

15. Designed specifically to be a user-friendly tool for country office staff who are directly responsible for the management of monitoring actions and evaluation exercises, the handbook presents the monitoring and evaluation framework and how-to steps through the use of case studies and examples that help to translate theory into practice. The positive feedback not only from country offices but also from donors and other development institutions and the high demand for the handbook indicate that it addresses practical concerns and responds to the need for improved tools for monitoring and evaluation. A large

measure of its success can also be attributed to the broad consultative process mentioned earlier.

16. Building upon the concepts and tools presented in the handbook, chapter 6 of the new UNDP Programming Manual was prepared, outlining the policies and procedures for monitoring and evaluating UNDP-supported development activities. It represents the first comprehensive revision of monitoring and evaluation guidelines undertaken since 1988. Policies on more participatory monitoring and evaluation have been reinforced, procedures for ensuring the effective incorporation of monitoring and evaluation into the overall programme or project cycle have been adopted, and reporting requirements for programmes and projects have been simplified. For example, the annual programme/project report was introduced, representing a change from mechanistic, input-oriented reporting to a more substantive, participatory assessment of results, using indicators. The main stakeholders have been included in monitoring and evaluation activities to deepen their ownership and obtain their perceptions of the value of UNDP interventions.

17. As part of the search for programme instruments, a framework for monitoring and evaluating regional cooperation programmes was developed in close collaboration with the regional bureaux that (a) clarified such concepts as results and success criteria and (b) presented a standard approach for defining monitoring and evaluation requirements and arrangements. The framework was put into practice and used in formulating all five regional implementation plans. It helped to harmonize their presentation and facilitated their approval by the Executive Board. As a follow-up step, the regional bureaux have formed a collective task force to have a consistent approach to the definition of performance indicators for regional programmes.

### C. Development of capacities in monitoring and evaluation

18. Strengthening capacities of UNDP staff at the country level remained a major objective for UNDP in 1997. In response to the need for new skills to introduce and institutionalize results-based management within the organization, UNDP initiated the development of a more results-oriented monitoring and evaluation training programme for country office staff. Building on the subregional training workshops conducted in 1995-1996, a broad outline was developed, focusing on how to: (a) incorporate monitoring and evaluation in the programme and project cycle; (b) plan and conduct monitoring and evaluation activities; (c) identify performance indicators; and (d) sharpen learning skills. The detailed design and conduct of the training programme will be based on the findings and recommendations of the UNDP-Sida publication, the handbook on results-oriented monitoring and evaluation and on actual case studies from the field. The piloting of the training package is expected to start in the second quarter of 1998.

19. The Evaluation Office continued its practice of assisting country offices to improve their monitoring and evaluation capacities through (a) short-term secondment of country office professionals to headquarters to participate in the work of the Evaluation Office and (b) the induction programmes for national programme officers and junior programme officers. The Office also provided

advisory support to regional bureaux and country offices in formulating improved terms of reference and in identifying experts for evaluations.

20. The Evaluation Office strengthened its technical evaluation skills by networking within the United Nations and donor evaluation communities and participating in conferences of professional evaluation societies (e.g., European Evaluation Association, American Evaluation Association) and forums sponsored by development partners, such as the World Bank. These and other efforts enabled UNDP to keep abreast of the latest developments in evaluation and to identify potential external resources (institutions, individuals, learning tools) that might be tapped for future evaluations.

21. To assist programme countries in strengthening their monitoring and evaluation capacities, UNDP supported national follow-up activities emanating from all subregional workshops on monitoring and evaluation conducted since 1995. For example, UNDP provided (a) financial assistance for the conduct of a workshop in Kenya to inform government counterparts of the latest developments in monitoring and evaluation and (b) technical support to the first workshop on monitoring and evaluation held in Guyana. In addition, UNDP also assisted the World Bank in conducting a training workshop in China on programme and project management and a seminar on public sector reform for national authorities of Estonia and other Baltic countries.

## D. Organizational learning

22. Despite the increasing priority given to learning in UNDP, the disconnection between recommendations and their implementation has continued. In light of this, the Evaluation Office began to take a more active role in ensuring that lessons drawn from evaluations are in reality fed into organizational learning.

23. UNDP intensified the use of findings from previous evaluations as a basis for making policy and operational changes, e.g., in the areas of national execution, co-financing and regional programming. Programmes and funds also tried to take evaluation findings into consideration in adjusting their policies and strategies.

24. As a step towards improving the use of national execution as an implementation modality, UNDP prepared a manual on policies and procedures that took into account the main recommendations of the 1995 evaluation of that modality although feedback from country offices still indicates that national execution procedures remain overly bureaucratic and inflexible. Some problems highlighted by the evaluation were addressed through the new manual, such as (a) the clarification of the specific roles of the Government, United Nations agencies and UNDP, and (b) the need to focus on issues relating to national ownership, sustainability and capacity-building.

25. The 1996 evaluation of non-core funded activities (Building Development Partnerships through Co-financing) resulted in recommendations that were taken into account in the preparation of a corporate strategy for non-core resource mobilization. For example, the evaluation report noted (a) the need to develop

a consensus among UNDP partners and within UNDP staff on a policy framework for co-financing operations based on the comparative advantage of the organization within its SHD mandate and (b) the fact that while the Latin America and Caribbean experience could not be easily replicated, it should be used in the development of country-by-country co-financing strategies. A paper on non-core resource mobilization was prepared for presentation to the Executive Board in 1998.

26. In response to Executive Board decision 97/9 of 14 March 1997, UNDP formulated an implementation strategy paper for each regional cooperation programme based on lessons highlighted in the 1996 evaluation report, Global, Interregional and Regional Programmes: An Evaluation of Impact. Specifically, the implementation strategies incorporated lessons on ownership, demonstration of learning approaches, linkages to national and global programmes, impact and capacity-building.

27. Further examples of the use of evaluation findings can be taken from the experience of regional bureaux, programmes and funds. As a direct follow-up of the evaluation of environmental programmes in Latin America and the Caribbean, the Regional Bureau for Latin America and the Caribbean is developing an explicit regional environmental strategy. UNCDF will integrate the concepts of eco-development and local development funds in response to the main finding of the eco-development review to ensure that local governance issues are given adequate attention. Evaluation findings were used in the design of the UNV Strategy 2000, which covers the period from 1997 to 2000, and in updating the policies and procedures governing the employment of national UNVs and the use of the UNV Special Voluntary Fund. The UNIFEM evaluation has been a source of inputs for reviewing UNIFEM guidelines on gender and the environment.

28. UNDP placed greater emphasis on ensuring that lessons were considered and/or incorporated in the identification, design, appraisal, approval and revision of programmes and projects. This was accomplished through the Programme Management and Oversight Committee in its review of advisory notes, country cooperation frameworks and programme outlines, and the regional bureau and local Project Appraisal Committees in their appraisal of new programmes and projects. Drawing on lessons learned from evaluations, the Evaluation Office provided advice on: (a) how to define results clearly, differentiating between outputs and outcomes and (b) the inclusion of monitoring and evaluation arrangements in programme outlines, e.g., joint monitoring and evaluation activities with partners involved in the same area of focus and participatory evaluations involving stakeholders. In spite of all these efforts, a great deal of work remains to be done to ensure that results are well-defined so that they can be monitored and documented.

29. As part of its effort to support organizational learning, the Evaluation Office broadened access to lessons learned from evaluations of programmes and projects. It distributed the first version of the central evaluation database (CEDAB) in user-friendly format to all country offices and regional bureaux; however, some country offices experienced technical problems during its installation. Furthermore, initial feedback indicated that while CEDAB is useful, it also has some limitations in terms of generating knowledge. Therefore, it should be supplemented by syntheses of evaluation findings from

which generic lessons can be drawn. The Evaluation Office also launched its evaluation web site on intranet and the Internet. The web site provides on-line access to UNDP strategic evaluation reports, UNDP evaluation methodologies and links to external evaluation web sites in order to broaden access to lessons from experience.

30. UNDP reviewed the experience of 10 country offices that had been designated as centres of experimentation (COEs). The COEs identified bottlenecks in the organization and highlighted areas of rigidity, especially in financial, personnel and administrative procedures. The main lesson from this initiative is that piloting is an essential step in introducing change. Under the UNDP change process, the Bureau of Planning and Resource Management was given the responsibility of seeing how best to follow up on the COE recommendations.

## E. Building partnerships

31. With the growing shift in the organization from managing outputs to influencing broad SHD outcomes, there is increasing recognition of the value of identifying and developing strategic partnerships. These partnerships enable UNDP: (a) to ensure that its comparative strengths are taken into account in the design and implementation of interventions; (b) to achieve greater impact in areas of collective interest; and (c) to facilitate coordination, thereby avoiding duplication of efforts. Building partnerships is especially important in keeping abreast of the latest developments in monitoring and evaluation and in benefiting from lessons learned.

32. Following the 1996 UNDP-World Bank agreement on evaluation-capacity development, the two organizations undertook a number of joint activities, including participation in meetings hosted by one organization or the other. Further commitment was made to review the 1996 agreement in order to lay the foundation for a deeper partnership, particularly in the promotion of results-based management.

33. UNDP entered into a partnership with the Government of Denmark to test, at the country level, instruments and procedures needed to achieve excellence in the delivery of capacity-development assistance and in participatory development. In this exercise, the Evaluation Office will explore areas where UNDP has a comparative advantage, e.g., working with civil society organizations and supporting decentralization. It will focus on ways to ensure that country-level programmes are designed with a results-based orientation and that the exercise is monitored and documented for the purpose of disseminating examples of good practice.

34. As lead convener of the Inter-Agency Working Group on Evaluation, UNDP continued to contribute to the harmonization of monitoring and evaluation among United Nations specialized agencies. The preparation of the handbook on monitoring and evaluation was a result of collaboration with United Nations specialized agencies, particularly those that are JCGP members. UNDP also provided substantive support to the following organizations: (a) the Joint United Nations Programme on HIV/AIDS (UNAIDS), in the development of indicators of performance for its programme; (b) the Global Environment Facility (GEF), in

the design of its monitoring and evaluation systems; and (c) the Multilateral Fund for the Montreal Protocol, in the formulation of its Evaluation Guide. UNDP exchanged information on monitoring and evaluation with other agencies and donors such as the United Nations Working Group on Humanitarian Affairs.

35. In its role as an observer on behalf of the United Nations specialized agencies, UNDP provided substantive contributions to the following activities of the Expert Group on Evaluation of the Development Assistance Committee of the Organisation for Economic Cooperation and Development (OECD/DAC): (a) a review of the OECD/DAC principles on evaluation and (b) a review of donor support for institutional-capacity development in environment. In addition, UNDP assisted the ad hoc steering group for the donor evaluation of UNCDF in the implementation of this assessment.

## III. DIRECTIONS FOR 1998

36. Despite the progress made in 1997, and based on the assessments by Evaluation Office staff of the scope and value of its work, it became clear that UNDP needs to focus its efforts towards responding more directly to the needs of the country offices, identified by the Evaluation Office as its primary client. In the areas of interest to the Evaluation Office, this requires in particular more systematic access to the empirical knowledge and evidence of performance (and lessons learned) in key SHD areas gathered by UNDP and other development organizations. Furthermore, it is also essential that there be a more transparent approach in linking management responsibility to the implementation of recommendations arising from evaluation studies. Above all, there is an imperative to demonstrate results to the taxpayers supporting UNDP and the countries receiving its development assistance. These concerns were reconfirmed in further consultations during an Evaluation Office retreat with clients and partners and with members of the Executive Board.

37. Therefore, in 1998, the major thrust of the evaluation function will be to respond to country office needs through a variety of means, including the development of: (a) an interactive evaluation knowledge platform (this will require, inter alia, a redesign of the evaluation web site and CEDAB as well as the development of a demand-driven search facility for country offices to facilitate the exchange of knowledge and experience among them; (b) an operational framework for the assessment of programme results that will facilitate, inter alia, reporting on the results achieved in key SHD areas and at the country level; and (c) practical guides on monitoring and evaluation methodologies.

38. The Evaluation Office intends to play an active role in the development of UNDP as a learning organization by working closely with BDP in the design and implementation of the overall knowledge management system of UNDP, by deepening the strategic partnerships initiated in 1997 with members of the development cooperation community, and by creating new partnerships with the private sector in the area of evaluation.

39. The Evaluation Office will seek to reinforce UNDP substantive accountability through results-based reporting, better tracking of the

implementation of evaluation recommendations and a transparent presentation of the progress made by the organization in implementing those recommendations. The agenda for strategic evaluations for 1998 and beyond is being designed to ensure that the high-priority topics chosen are organizationally strategic.

## IV. EXECUTIVE BOARD ACTION

40. The Executive Board may wish to:

Take note of the results achieved through the evaluation activities in 1997 and of the commitment of the Administrator to strengthen further the evaluation function as an instrument for change and organizational learning.

Annex

# EVALUATION COMPLIANCE

## INTRODUCTION

1. The present report is the third on evaluation compliance submitted to the Executive Board. To facilitate the comparison of data, it follows the same format as previous analyses (DP/1996/CRP.7 and DP/1997/16/Add.4 (annex II)).

## I. COLLECTION OF REPORTS AND EXTRACTION OF DATA

2. The collection of evaluation reports and the subsequent extraction of data are important steps in the process of organizational learning. As part of every evaluation exercise, data is extracted from the evaluation report using the project evaluation information sheet (PEIS), which must be completed by the evaluation team leader and submitted with every evaluation report. The responsibility for fulfilling the PEIS requirement lies with the country offices. The PEIS is the tool that enables the Evaluation Office to update CEDAB.

### A. Global analysis

3. The Evaluation Office received a total of 1,873 evaluation reports for the period from 1986 to 1996 (table 1) as against the 1,745 reported last year. The increase of 128 reports is due to the receipt of 83 reports for 1996 plus 45 reports for previous years, mainly 1992 to 1995.

Table 1. Total number of evaluation reports received by the Evaluation Office by year of evaluation

| Evaluation year | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | Total |
| 209 | 158 | 159 | 193 | 259 | 234 | 188 | 127 | 137 | 126 | 83 | 1 873 |

4. Table 2 shows the number of reports that have been processed, that is, the number of reports for which the PEIS has been completed and the data has been entered into CEDAB, by year of evaluation. The corresponding data-processing rates (number of reports processed as a percentage of the number of reports received) are given in table 3.

Table 2. Number of reports processed, by year of evaluation

| Evaluation year | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | Total |
| 59 | 87 | 134 | 148 | 207 | 166 | 156 | 95 | 83 | 92 | 58 | 1 285 |

Table 3. Data-processing rates, by year of evaluation (percentage)

| Evaluation year | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | Average |
| 28 | 55 | 84 | 77 | 80 | 71 | 83 | 75 | 61 | 73 | 70 | 69 |

5. A comparison of the total number of reports processed in 1997 (1,285) with the total reported last year (1,152) shows an increase of 133 reports. This increase, which can be attributed mainly to the inclusion of the information for the year 1996 (58 reports) and the 35 reports processed for 1995, represents an improvement from 66 per cent to 69 per cent in the overall rate of data-processing reported last year. The rate could be further improved if country offices strictly complied with the requirement to complete the PEIS.

## B. Breakdown of evaluation reports provided by bureaux

6. The Regional Bureau for Africa (RBA) was the leading annual contributor to CEDAB until 1992, after which the Regional Bureau for Asia and Pacific (RBAP) assumed the lead (table 4). However, RBA is the largest overall contributor to the database. It is worth noting that the total number of reports received from the Regional Bureau for Arab States (RBAS) increased by 25 per cent in one year, from 124 (reported last year) to 155.

7. Table 5 shows the number of evaluation reports, by bureau and evaluation year, for which the PEIS has been completed and the information has been entered in CEDAB.

8. An analysis of the rates of extraction (number of reports processed as a percentage of the reports received) shows that RBAP maintains a significant lead in the overall rate of extraction (80 per cent), followed by RBA (68 per cent) (table 6). Since last year, there have been no significant changes in the overall rates for RBAS and RBLAC (54 per cent and 52 per cent, respectively).

Table 4. Number of evaluation reports received, by bureau and year of evaluation

| | Evaluation year | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | Total |
| RBA | 78 | 74 | 78 | 90 | 137 | 107 | 77 | 37 | 49 | 36 | 26 | 789 |
| RBAP | 77 | 52 | 57 | 63 | 77 | 94 | 75 | 64 | 63 | 52 | 29 | 703 |
| RBAS | 18 | 22 | 9 | 9 | 21 | 12 | 18 | 9 | 8 | 11 | 18 | 155 |
| RBLAC | 20 | 3 | 14 | 29 | 22 | 17 | 15 | 14 | 14 | 22 | 7 | 177 |
| RBEC | 11 | 5 | 1 | 0 | 1 | 0 | 1 | 1 | 0 | 4 | 0 | 24 |
| BDP | 5 | 2 | 0 | 2 | 1 | 4 | 2 | 2 | 3 | 1 | 3 | 25 |
| Total | 209 | 158 | 159 | 193 | 259 | 234 | 188 | 127 | 137 | 126 | 83 | 1 873 |

Table 5. Number of evaluation reports processed, by bureau and by year of evaluation

| | Evaluation year | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | Total |
| RBA | 14 | 38 | 64 | 72 | 110 | 64 | 64 | 28 | 31 | 32 | 23 | 540 |
| RBAP | 34 | 39 | 50 | 48 | 64 | 80 | 69 | 56 | 49 | 46 | 24 | 559 |
| RBAS | 7 | 5 | 9 | 5 | 18 | 8 | 10 | 4 | 0 | 8 | 9 | 83 |
| RBLAC | 1 | 2 | 10 | 23 | 14 | 14 | 11 | 6 | 3 | 6 | 2 | 92 |
| RBEC | 2 | 2 | 1 | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 7 |
| BDP | 1 | 1 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 4 |
| Total | 59 | 87 | 134 | 148 | 207 | 166 | 156 | 95 | 83 | 92 | 58 | 1 285 |

Table 6. Rate of extraction, by year of evaluation (percentage)

| | Evaluation year | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | Average |
| RBA | 18 | 51 | 82 | 80 | 80 | 60 | 83 | 76 | 63 | 89 | 88 | 68 |
| RBAP | 44 | 75 | 88 | 76 | 83 | 85 | 92 | 88 | 78 | 88 | 83 | 80 |
| RBAS | 39 | 23 | 100 | 56 | 86 | 67 | 56 | 44 | 0 | 73 | 50 | 54 |
| RBLAC | 5 | 67 | 71 | 79 | 64 | 82 | 73 | 43 | 21 | 27 | 29 | 52 |
| RBEC | Not meaningful | | | | | | | | | | | |
| BDP | Not meaningful | | | | | | | | | | | |

## C. Conclusion

9. The institutional memory of UNDP can be further enhanced if the responsible country office/headquarters unit monitors the status of the PEIS to ensure its completion by the evaluation team.

# II. COMPLIANCE ANALYSIS

## A. Existing rules

10. On 6 June 1997, the UNDP Executive Committee approved the following criteria for mandatory evaluations: (a) scale of resources - large-scale programmes and projects, i.e., those with budgets over $1 million, and (b) duration of technical cooperation, i.e., cooperation that has been provided to a particular institution for 10 years or more. These rules are reflected in Results-oriented Monitoring and Evaluation: A Handbook for Programme Managers and in chapter 6 of the new UNDP Programming Manual. However, the present report is limited to projects meeting only the scale of resources criterion since the inclusion of projects meeting the second criterion is subject to the establishment of the tracking system that will be put in place in 1998.

## B. Time-frame

11. The present report provides an update on compliance with the requirement of mandatory evaluation for the portfolio of projects approved in 1988, 1989 and 1990. In addition, the compliance situation for the projects approved in 1991 is reported on for the first time.

12. Approximately 10 years are required to complete the collection of evaluation reports relating to a specific year of project approval because of differences in the timing of evaluations (mid-term, terminal and ex post) and delays in obtaining the reports. The data in table 7 show the situation with

regard to the collection of evaluation reports on the projects approved between 1988 and 1996.

Table 7. Number of evaluation reports received, by year of project approval and year of evaluation

| | Year of project approval | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Evaluation year | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 |
| 1988 | 1 | | | | | | | | |
| 1989 | 15 | | | | | | | | |
| 1990 | 72 | 11 | | | | | | | |
| 1991 | 67 | 54 | 12 | 1 | | | | | |
| 1992 | 34 | 55 | 40 | 6 | | | | | |
| 1993 | 21 | 25 | 37 | 25 | 8 | 1 | | | |
| 1994 | 13 | 15 | 24 | 36 | 30 | 6 | | | |
| 1995 | 4 | 3 | 14 | 20 | 62 | 11 | 5 | 3 | |
| 1996 | 5 | 8 | 11 | 8 | 12 | 25 | 10 | 2 | 0 |
| 1997 | 0 | 0 | 2 | 11 | 17 | 14 | 7 | 5 | 2 |
| Total | 232 | 171 | 140 | 107 | 129 | 57 | 22 | 10 | 2 |

## C. Mandatory and other evaluations

13. The number of reports on mandatory and non-mandatory evaluations received by the Evaluation Office (table 8) supports the finding reported last year that both types of evaluations are decreasing.

Table 8. Number of evaluation reports received, by year of project approval

| | Year of project approval | | | | |
|---|---|---|---|---|---|
| | 1988 | 1989 | 1991 | 1991 | Total |
| Mandatory evaluations | 157 | 119 | 90 | 71 | 437 |
| Non-mandatory evaluations | 75 | 52 | 50 | 36 | 213 |
| Total | 232 | 171 | 140 | 107 | 650 |

## D. Financial coverage of projects subject to mandatory evaluation

14. The sources of the financial data for project approval years 1988, 1989, 1990 and 1991 are twofold: (a) the annual reports of the Administrator to the Executive Board on programme implementation, and (b) the Programme Information Profiles issued by the Division for Administrative and Information Services (DAIS) at the request of the Evaluation Office.

15. The data presented in tables 9 and 10 confirm the conclusion reached last year that the $1 million threshold for mandatory evaluations is cost-effective since (a) projects with budgets over $1 million represent 15 per cent of the total number of projects approved and (b) those same projects also represent 66 per cent of the financial resources allocated for all projects.

Table 9. Number of mandatory evaluations as a percentage of the total number of projects approved

| | Year of project approval | | | | |
|---|---|---|---|---|---|
| | 1988 | 1989 | 1990 | 1991 | Total |
| Number of projects approved | 1 794 | 1 437 | 1 256 | 1 152 | 5 639 |
| Number of projects above $1 million | 257 | 213 | 210 | 160 | 840 |
| Coverage (percentage) | 14 | 15 | 17 | 14 | 15 |

Table 10. Financial coverage of projects subject to mandatory evaluation ($ million)

| | Year of project approval | | | | |
|---|---|---|---|---|---|
| | 1988 | 1989 | 1990 | 1991 | Total |
| Financial resources for all projects approved | 808 | 673 | 850 | 631 | 2 962 |
| Financial resources for projects above $1 million | 562 | 446 | 526 | 408 | 1 942 |
| Coverage (percentage) | 70 | 66 | 62 | 65 | 66 |

16. The coverage is lower when calculations are based on evaluations actually conducted (table 11). Nevertheless, a comparison of the present financial coverage with the coverage reported last year for reports received and/or awaited reveals a positive change from an average of 39 per cent to 44 per cent. The increased coverage results from improvements for 1988 (from 49 per cent to 52 per cent), 1989 (from 43 per cent to 47 per cent) and 1990 (from 24 per cent

to 40 per cent) as well as the inclusion of the coverage rate for 1991 (35 per cent).

Table 11. Financial coverage of projects subject to mandatory evaluation and evaluated ($ million)

| | Year of project approval | | | | |
|---|---|---|---|---|---|
| | 1988 | 1989 | 1990 | 1991 | Total |
| Financial resources for all projects approved | 808 | 673 | 850 | 631 | 2 962 |
| Financial resources for projects above $1 million and evaluated | 421 | 315 | 343 | 222 | 1 301 |
| Coverage (percentage) | 52 | 47 | 40 | 35 | 44 |

## E. Global compliance

17. Following last year's report, which showed the compliance situation as of January 1997, updates were prepared for senior management in May and October 1997 and communication with bureaux and country offices was maintained on a regular basis. The present report reflects the progress made by UNDP in evaluation compliance as of January 1998.

18. Compliance rates in general have improved. Efforts to improve the rate for 1988-1989 were effective, but the rate for strict compliance is still short of the 70 per cent target that was set for the end of 1997. The 1990 rate of strict compliance continues to be low (51 per cent; table 12) while the first compliance rate reported for 1991 (47 per cent) is higher than the initial rate for 1990 reported last year (34 per cent).

19. The long-term compliance rate represented by the rates of likely compliance (which take into account the number of reports awaited and the evaluations scheduled in calculating the compliance rate) has improved for all the portfolios. The average rate of likely compliance for all of the portfolios combined has risen to 71 per cent from 64 per cent (reported last year) owing to increases in the likely compliance rate for the 1988 portfolio (from 73 per cent to 79 per cent), the 1989 portfolio (from 69 per cent to 74 per cent) and the 1990 portfolio (from 49 per cent to 63 per cent). The initial rate of likely compliance for the portfolio of projects approved in 1991 is 63 per cent.

20. Justifications have been received for the non-conduct of some evaluations. These are reflected under the category "evaluations not conducted, with full justification". The total number of projects with an unclear evaluation status for the 1988-1989 and 1990 portfolios combined has been reduced by 45 per cent (from 181 reported last year to 100). The percentage of projects in the 1991 portfolio with an uncertain evaluation status is the same as the current rate for the 1990 portfolio (28 per cent).

21. In the present report, the data for the portfolio of projects approved in 1988 and 1989 is for the most part analysed and treated as a biennium to adhere to the initial reporting modality established in 1995; this also facilitates comparisons. However, the data provided in table 12 is disaggregated by year of project approval to enable the presentation of compliance performance by year and to show the results according to the stage of the evaluation cycle.

Table 12. Rates of strict and likely compliance

| | 1988 | 1989 | 1990 | 1991 | Total |
|---|---|---|---|---|---|
| Mandatory evaluations (A) | 257 | 213 | 210 | 160 | 840 |
| Reports received (B) | 157 | 119 | 90 | 71 | 437 |
| Evaluations not conducted, with full justification (C) | 20 | 13 | 17 | 4 | 54 |
| Subtotal #1 (B+C) | 177 | 132 | 107 | 75 | 491 |
| Strict compliance (%): (B+C)/A | 69 | 62 | 51 | 47 | 58 |
| Reports awaited (D) | 19 | 19 | 9 | 7 | 54 |
| Evaluations scheduled (E) | 6 | 6 | 17 | 19 | 48 |
| Subtotal #2 (B+C+D+E) | 202 | 157 | 133 | 101 | 593 |
| Likely compliance if all reports are rec'd (%): (subtotal #2/A) | 79 | 74 | 63 | 63 | 71 |
| Evaluations not conducted but other actions taken | 12 | 9 | 4 | 3 | 28 |
| Not conducted but explained | 21 | 28 | 14 | 12 | 75 |
| No clear information | 21 | 20 | 59 | 44 | 144 |

## F. Compliance by the bureaux

### 1. Compliance status for project approval period 1988-1989

22. The present compliance status of each bureau in relation to the portfolio of projects approved in 1988-1989 is found in table 13. The improvement in the overall rate of strict compliance has increased from 60 per cent to 66 per cent owing to increases in the rates of RBAS (from 50 per cent to 65 per cent), RBAP (from 65 per cent to 71 per cent), and BDP (from 12 per cent to 38 per cent). There has been no change in the rates for RBA (63 per cent) and RBLAC (50 per cent). Despite the improvement, as noted earlier, this figure still falls short of the target of 70 per cent set for the end of 1997, owing in part to the non-receipt by the Evaluation Office of reports of evaluations that had been reported as having been conducted. For example, out of the 24 reports awaited from RBA, only two were received.

Table 13. Compliance status of the 1988-1989 portfolio, by bureau

| | RBA | RBAP | RBAS | RBLAC | RBEC | BDP | Total |
|---|---|---|---|---|---|---|---|
| Projects over $1 million | 194 | 201 | 46 | 12 | 1 | 16 | 470 |
| Evaluations received | 112 | 131 | 21 | 6 | 0 | 6 | 276 |
| Evaluations not conducted, with full justification | 11 | 12 | 9 | 0 | 1 | 0 | 33 |
| Strict compliance (%) | 63 | 71 | 65 | 50 | 100 | 38 | 66 |
| Reports awaited | 22 | 10 | 5 | 0 | 0 | 1 | 38 |
| Evaluations scheduled | 3 | 5 | 2 | 1 | 0 | 1 | 12 |
| Likely compliance (%) | 76 | 79 | 80 | 58 | 100 | 50 | 76 |
| Other actions | 10 | 6 | 0 | 1 | 0 | 4 | 21 |
| Evaluations not conducted | 12 | 22 | 9 | 4 | 0 | 2 | 49 |
| No clear information | 24 | 15 | 0 | 0 | 0 | 2 | 41 |

23. The improvement from 71 per cent to 76 per cent in the overall rate of likely compliance for the portfolio is due mainly to the increases in the rates of RBAP (from 71 per cent to 79 per cent), BDP (from 12 per cent to 50 per cent), RBAS (from 74 per cent to 80 per cent) and RBLAC (from 50 per cent to 58 per cent). There was no change in the rate of likely compliance for RBA (76 per cent).

24. The number of projects for which there is no clear information on the evaluation status was reduced by 50 per cent, from 81 to 41. Of the remaining 41 projects, information is awaited from RBA on 24 projects, from RBAP on 15 projects and from BDP on 2 projects. Of the 24 cases in the Africa region, 15 pertain to regional projects/programmes, while in the Asia and Pacific region, 14 of the 15 involve regional projects/programmes.

## 2. Compliance status of the 1990 portfolio

25. The overall rate of strict compliance has increased from 34 per cent to 51 per cent (table 14), owing mainly to the improvement in the rates of RBAS (from 16 per cent to 68 per cent) and BDP (from 9 per cent to 68 per cent). However, the increases have been offset primarily by the low rate of strict compliance of RBLAC. Thus the overall rate is still considered to be too low.

Table 14. Compliance status of the 1990 portfolio, by bureau

| | RBA | RBAP | RBAS | RBLAC | RBEC | BDP | Total |
|---|---|---|---|---|---|---|---|
| Projects over $1 million | 69 | 95 | 19 | 4 | 1 | 22 | 210 |
| Evaluations received | 24 | 38 | 11 | 1 | 1 | 15 | 90 |
| Evaluations not conducted, with full justification | 12 | 3 | 2 | 0 | 0 | 0 | 17 |
| Strict compliance (%) | 52 | 43 | 68 | 25 | 100 | 68 | 51 |
| Reports awaited | 2 | 3 | 2 | 0 | 0 | 2 | 9 |
| Evaluations scheduled | 2 | 13 | 2 | 0 | 0 | 0 | 17 |
| Likely compliance (%) | 58 | 60 | 89 | 25 | 100 | 77 | 63 |
| Other actions | 0 | 1 | 0 | 1 | 0 | 2 | 4 |
| Evaluations not conducted | 0 | 12 | 1 | 1 | 0 | 0 | 14 |
| No clear information | 29 | 25 | 1 | 1 | 0 | 3 | 59 |

26. The overall rate of likely compliance has risen from the 49 per cent reported last year to 63 per cent because of increases in the likely compliance rate of RBAS (from 32 per cent to 89 per cent) and BDP (from 9 per cent to 77 per cent). The number of projects with an uncertain evaluation status has been reduced from 100 to 59. Of these, 29 are from the Africa region and 25 from the Asia and Pacific region.

### 3. Compliance status of the 1991 portfolio

27. The initial overall rate of strict compliance for the 1991 portfolio of projects approved is 47 per cent (table 15). RBAP has the highest individual rate (60 per cent), followed by RBAS (46 per cent) and RBLAC (44 per cent). The low compliance levels of RBA (37 per cent) and BDP (29 per cent) have, of course, influenced the overall rate. The overall likely compliance rate for this portfolio is the same (63 per cent) as the rate for the 1990 portfolio.

Table 15. Compliance status of the 1991 portfolio, by bureau

| | RBA | RBAP | RBAS | RBLAC | RBEC | BDP | Total |
|---|---|---|---|---|---|---|---|
| Projects over $1 million | 52 | 60 | 13 | 27 | 1 | 7 | 160 |
| Evaluations received | 19 | 34 | 6 | 10 | 0 | 2 | 71 |
| Evaluations not conducted, with full justification | 0 | 2 | 0 | 2 | 0 | 0 | 4 |
| Strict compliance (%) | 37 | 60 | 46 | 44 | N/A | 29 | 47 |
| Reports awaited | 0 | 1 | 3 | 2 | 0 | 1 | 7 |
| Evaluations scheduled | 6 | 6 | 1 | 6 | 0 | 0 | 19 |
| Likely compliance (%) | 48 | 72 | 77 | 74 | N/A | 43 | 63 |
| Other actions | 1 | 1 | 0 | 1 | 0 | 0 | 3 |
| Evaluations not conducted | 1 | 4 | 2 | 4 | 0 | 1 | 12 |
| No clear information | 25 | 12 | 1 | 2 | 1 | 3 | 44 |

### 4. Comparison of three project portfolios: 1988-1989, 1990 and 1991

28. Table 16 enables a comparison of the compliance situation of three project portfolios - 1988-1989, 1990 and 1991 - at a similar point in their development: the situation for the 1988-1989 portfolio as of January 1996, the 1990 portfolio as of January 1997 and the 1991 portfolio as of January 1998. The rate of strict compliance for the 1991 portfolio (47 per cent) is higher than the rate reported last year for the 1990 portfolio (34 per cent). The evaluation status is unclear for 28 per cent of the projects approved in 1991 and subject to mandatory evaluation whereas the percentages for the 1990 and 1988-1989 portfolios at a similar stage in the evaluation cycle are higher, 48 per cent and 32 per cent, respectively.

Table 16. Three portfolios of projects at a similar stage of development

| | 1988-1989 as of Jan. 1996 | 1990 as of Jan. 1997 | 1991 as of Jan. 1998 |
|---|---|---|---|
| Mandatory evaluations (A) | 470 | 210 | 160 |
| Reports received (B) | 247 | 56 | 71 |
| Evaluations not conducted, with full justification (C) | 23 | 16 | 4 |
| Strict compliance (%): (B+C)/A | 57 | 34 | 47 |
| Reports awaited (D) | 13 | 13 | 7 |
| Evaluations scheduled (E) | 10 | 17 | 19 |
| Likely compliance if all reports are rec'd (%): (B+C+D+E)/A | 62 | 49 | 63 |
| Evaluations not conducted but other actions taken | 11 | 1 | 3 |
| Not conducted but explained | 17 | 7 | 12 |
| No clear information | 149 | 100 | 44 |

## G. Conclusions

29. The compliance target of 70 per cent established for the end of 1997 for the portfolio of projects approved in 1988-1989 has not been met and the rate of compliance for 1990 is still low, but the starting compliance rate for the 1991 portfolio is more promising for future compliance with evaluation requirements.

30. It is expected that by the end of 1998 (a) the 70 per cent target for the biennium 1988-1989 and a similar target for the 1990 portfolio will have been reached and (b) a compliance rate of 75 per cent for the 1991 portfolio will have been achieved.

31. Even though the improvement in the compliance rates is slight, it appears that the awareness of accountability in relation to evaluation compliance has been strengthened.

32. There has also been an increase (from 39 per cent to 44 per cent) in the financial coverage of projects subject to mandatory evaluations and evaluated.

## H. Follow-up to recommendations contained in 1997 report

33. The implementation status of the recommendations contained in the report for 1997 (DP/1997/16/Add.4 (annex II)) is as follows:

(a) The rate of extraction of data from evaluation reports has been increased from 66 per cent to 69 per cent; however, this is an ongoing effort, which needs further improvement;

(b) Chapter 6 of the UNDP Programming Manual and Results-oriented monitoring and evaluation: A Handbook for Programme Managers, disseminated in 1997, provide guidance on evaluation plans and clarify the policy on evaluation compliance, including justification for not conducting otherwise mandatory evaluations;

(c) The system for tracking projects eligible for mandatory evaluation is currently limited to those meeting the scale of resources criterion. Following the dissemination of chapter 6 of the UNDP Programming Manual and the handbook mentioned earlier, the Evaluation Office is broadening the system to include those projects meeting the criterion of duration of cooperation.

# III. RECOMMENDATIONS

34. The policy stated in chapter 6 of the UNDP Programming Manual regarding the completion of the PEIS by the evaluation team leader should be enforced by the country offices/bureaux. The country offices/bureaux responsible for the evaluations should play an active role in their monitoring.

35. As in the past, the Evaluation Office should continue to provide help to the bureaux in ensuring their accountability for evaluations, advising them in particular on actions required from countries that are deficient in this area.

36. The Evaluation Office should widen the compliance analysis to include substantive aspects such as the quality of evaluation reports and the use of the recommendations emerging from evaluations.

37. The Evaluation Office should also set up a transparent tracking system, including, inter alia, mandatory evaluations of projects relating to institutions receiving UNDP assistance for more than 10 years.

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